



AGENDA

**NOTICE OF MEETING
HAWAII TECHNOLOGY DEVELOPMENT CORPORATION (HTDC)
BOARD OF DIRECTORS**

Date: **Thursday, May 7, 2020**
Time: 3:00 p.m. – 5:00p.m.

Join Zoom Meeting
<https://zoom.us/j/92420970868>
Meeting ID: 924 2097 0868
Dial by your location:
+1 253 215 8782 US

The meeting will be accessible to the public via teleconference.

AGENDA

1. Call to Order
2. Approval of Minutes – January 23, 2020 (Amended), March 5, 2020, March 16, 2020, March 31, 2020
Approval of Executive Session Minutes – March 16, 2020, March 31, 2020**
3. Covid-19 Update
 - A. Sandbox, MRTC closures –repurpose during closure
 - B. Government assistance projects – supply chain, tech assistance, virtual town halls, PPP
 - C. Business assistance projects – website, webinars, masks, grant opportunities, roundtable, gift boxes
4. Legislative update
 - A. Legislative session is still on hold. Comments from Chung & Associates.
5. Tech Parks Update
 - A. First Responder Tech Park
SSFm contract is being processed to provide planning assistance for the FRTC project. We will reengage with a kickoff meeting in May.
 - B. Hilo Innovation and Manufacturing Center
Architectural firms are currently being reviewed by the evaluation committee. The selection is on track to contract before the end of the fiscal year.



6. Discussion and action with respect to HTDC continuity of operations until new Board members are appointed.
 - A. Overview of Act 56, SLH 2019
 - B. Resolution for HTDC to apply for federal grant applications.
 - C. Proposed HTDC operating guidelines to make HSBIR awards, manage HSDC investments, public notice, award contracts, and any other action required to continue operations.

7. HTDC Reports
 - A. Chair's Report
 - B. Executive Director's Report
 - C. Department of Business, Economic Development & Tourism (DBEDT) Report
 - D. Natural Energy Laboratory of Hawaii Authority (NELHA) Report
 - E. University of Hawaii (UH) Report

8. Adjournment

****An executive session may be called to deliberate or make a decision upon a matter that requires the consideration of information that must be kept confidential pursuant to a state or federal law, or a court order pursuant to Section 92-5(a) (8), HRS.**

****An executive session may be called to have a discussion or consideration of trade secrets or commercial or financial matters pursuant to Section 206M-21(b), HRS.**

Written testimony from the public is accepted in writing via sophia@htdc.org.





AMENDED DRAFT

MINUTES OF MEETING OF HAWAII TECHNOLOGY DEVELOPMENT CORPORATION (HTDC) BOARD OF DIRECTORS

Date: **Thursday, January 23, 2020**
Time: 3:00 p.m. – 5:00p.m.
*Location: DBEDT
250 S. Hotel Street Room 506
Honolulu, HI 96813

PRESENT

Martin Zorn, Chair
Elijah Yip, 1st Vice Chair
Chung Chang, DBEDT
Creighton Arita
Linda Rosehill
Vassilis Syrmos
Bella Hughes
Craig Nakanishi

EXCUSED

Mark Anderson

STAFF PRESENT

Len Higashi, HTDC Acting Director
Wayne Inouye, INNOVATE Hawaii
Ray Gomez, HTDC
Dave Molinaro, HCATT
Sophia Lam, INNOVATE Hawaii

COUNSEL

Jodi Yi, Deputy Attorney General
Bryan Yee, Deputy Attorney General

GUESTS

Senator Glenn Wakai

1. Call to Order
The meeting was called to order by Chair Martin Zorn at 3:03 pm
2. Approval of Minutes – Revised September 5, 2019, November 7, 2019, December 16, 2019, and January 2, 2020 HTDC Board meeting. September 5 revision is to correct attendance to include Vassilis Syrmos.

Motion made by Creighton Arita to approve the minutes of September 5, 2019 as revised and seconded by Linda Rosehill. None opposed. Unanimously passed (8-0)

Motion made by Vassilis Syrmos to approve the minutes of November 7, 2019 and seconded by Creighton Arita. None opposed. Unanimously passed (8-0)

Motion made by Creighton Arita to approve the minutes of December 16, 2019 and January 2, 2020 seconded by Vassilis Syrmos. None opposed. Unanimously passed (8-0)

3. Request for Executive Session Minutes
 - A. Discussion and action regarding a request for executive session minutes of December 16, 2019 and January 2, 2020. The discussion may include the process for releasing minutes as well as the procedure to be used for taking minutes during executive sessions. **

Motion to enter Executive Session was made by Linda Rosehill and seconded by Creighton Arita at 3:05 pm. No vote was taken.

Craig Nakanishi questioned if we go into Executive Session, who would be excused.

Deputy Attorney General Bryan Yee commented that whoever the board deems is needed for the Executive Session would stay and all others would be excused.

Senator Wakai requested to participate in Executive Session.

Vassilis Syrmos preferred to have the discussion in open session.

Board agreed to stay in open session until the discussion required the board to move into Executive Session.

4. Discussion and action with respect to permanent Executive Director **

Senator Wakai requested information about the last board meeting related to hiring an Executive Director.

Martin Zorn commented that the motion to defer action on hiring an Executive Director on January 2nd failed due to not having enough affirmative votes. Martin Zorn summarized that the board went through the interview process and deliberated on candidates. There was no action taken on December 16, 2019 and the meeting was continued. At the continued executive session meeting on January 2, 2020, the board went around the table for each member's input on where they stood. After deliberation, a vote was taken and based on consensus, neither candidate was selected.

Elijah Yip commented that there was an evaluation of the long-term vision by both candidates and their alignment with HTDC's vision, but also in the short-term in this legislative session. Neither candidate meet provided satisfactory responses on both points. Given the statutory changes replacing the board at the end of May, the board decided to defer until the new board was in place.

Chung Chang commented that he did not participate in prior meeting.



Craig Nakanishi commented that the board did what was in the best interest of HTDC and the organization. Martin Zorn stated that he would make efforts to help HTDC get through the legislative session.

Creighton Arita commented that both candidates had strengths and weaknesses. Being that the board will be disbanded in four months and we want to create a healthy organization for HTDC, we thought it would be best to wait until the new board is convened.

Vassilis Syrmos and Bella Hughes commented that they weren't there to meet any of the candidates but supported the decision the board made.

Linda Rosehill commented that she had a different viewpoint. There was a large field of applicants that had excellent credentials and not all had met every criteria important for this position, but they were qualified. The board has a responsibility to make sure the organization can get through this legislative session. The pressure that this agency is going through to perform and the added responsibility of HSDC with no budget, we need someone strong. Given that a new board is coming on and that they'll need time to learn, by not hiring someone, we left vacant the position and there will be a possibility HTDC goes three sessions without an Executive Director.

Craig Nakanishi commented that he went off the board in June and rejoined in December. We have a duty which is to do what's best for the organization. While he felt that having the Chair assist the interim ED is a stop-gap is not perfect, it's better than the alternatives based on the candidates.

Martin Zorn commented that during this process, he wasn't on the original PIG and wasn't Chairman when the process began. The PIG started in May, members of the PIG have rolled off since then, and there were a lot of people involved and turnover on both the Board and PIG during the process. Given the alternatives he volunteered as Chairman to assist the Interim ED during this period.

Elijah Yip commented that he was not a part of the PIG initially but joined when they were in the process of reviewing candidates. There wasn't a strong field of applications, and with the board turning over, it might have discouraged qualified applicants from applying.

Senator Glenn Wakai commented that we need to make good decisions for Hawaii and the board is tasked with making a decision. If the board didn't find any of the candidates to be a fit, then they need to find new candidates. Senator commented that Martin Zorn has a full-time job and the agency needs someone who will fight for funding and be the face of HTDC. The process needs to be restarted to bring onboard someone who will help fight for this agency alongside him.



Bella Hughes thanked Senator Wakai for bringing his perspective. She questioned if board members could invite candidates to apply.

Deputy Attorney General Bryan Yee commented that if the board concludes that no candidates met the qualifications, then you can thank the candidates and inform them no one has been selected and reopen the application process.

Martin Zorn asked if the board can legally give that position to someone who didn't apply but is currently interested.

Deputy Attorney General Bryan Yee commented that the board will need to complete the process by rejecting the applicants and going through another process. The decision with what process is up to the board.

Linda Rosehill commented that there are several qualities that we need for a successful Executive Director, but realistically we need someone who can be at the legislature.

Craig Nakanishi requested a 10-minute recess at 3:55pm. None opposed.

Board members left the Board room.

Board members re-entered the Board room.

Senator Wakai commented that the PIG was not a required process and that they are able to agree on a candidate and take a vote on an Executive Director.

Martin Zorn thanked Senator Wakai.

Bella Hughes commented that we need someone who can do the day-to-day representation at the capitol, but also need someone with an innovation vision. The Executive Director may need a COO to work with.

Linda Rosehill questioned the Senator whether the person who is engaging the legislature needs to be the Executive Director?

Martin Zorn commented that HTDC could hire someone to do the legislative work and this can help with the current situation.

Craig Nakanishi thanked Senator Wakai for his continued support for HTDC.

Senator Wakai commented that this can't be another lost year and asked the board to help him find a partner.

5. Legislative Session Strategy



Len Higashi commented that our request into the legislature is minimal. We requested at the minimum to continue programs we have in place, such as MAP, SBIR, Accelerator, and a small amount of supplemental funding. There are a few bills resurfacing on the House and Senate side coming out of economic development. There's also a bill to consolidate the Office of Aerospace into HSDC which is a version that was discussed last year. There are a number of R&D tax credit bills. In terms of strategy, we appreciate the Chair for stepping up to assist.

Martin Zorn questioned if there are things that the board should be considering and if Len Higashi can articulate what they are to the current legislative session, such as the fact that HSDC was consolidated into HTDC without adding personnel.

Len Higashi commented that HSDC's mission and position is vacant. It needs funding and an expert to identify investment opportunities. A lot of HTDC's effort has been spent at Sandbox with reserve funding and no state funding. TRUE initiative is funded by private sector and a lot of real activity centered by the private and public sector, but with no state money, it is not sustainable. The private sector is stepping up and they are looking at the public to do their part as well. A lot of HTDC's effort is focused on bringing in federal money. The short answer is that there's so many opportunities that require funding, but there's a lot of requests and we are trying to not create confusion.

Linda Rosehill commented that today is the last day to submit bills. She questioned if we had things to put in.

Senator commented that the organization needs to request more. Sandbox is doing great and he never would have thought he'd see corporate Hawaii there. There are great initiatives happening and we must think larger, capitalize on that momentum and grow impact through the state.

Martin Zorn asked what is the process for requesting more funding at this point?

Craig Nakanishi commented that we are able to submit bills ourselves. There are gaps and holes. Len Higashi needs to bring it to the board first then bring it to the legislature. We need a strong advocate to go to the legislature to tell them what we need and why we need it.

Len Higashi commented that in the past, HTDC was approached by a lobbyist, but after internal discussions decided not to move forward. If the board has changed their direction, then he needs to understand that.

Martin Zorn commented that we have to take a strategic position.

Bella Hughes commented that the board needs to have more invigorating conversations and thinking how we can work hand-in-hand with Len Higashi.



Vassilis Syrmos commented that these discussions have not taken place because of the vacant Executive Director position. We need to figure out what is the strategic plan.

Motion to enter into Executive Session was made by Elijah Yip and seconded by Bella Hughes. None opposed. Unanimously passed (8-0) at 4:25 pm

Staff and Executive Director left the Board Room while Board is in Executive Session.

Motion to exit Executive Session was made by Craig Nakanishi and seconded by Linda Rosehill. None opposed. Unanimously passed (8-0) at 4:52 pm

Motion to not accept any of the candidates and to close the current search process, was made by Elijah Yip and seconded by Craig Nakanishi. None opposed. Unanimously passed (8-0) at 4:53 pm

Staff and Executive Director re-entered the Board Room.

10. Next HTDC Board Meeting: March 5, 2020

11. Adjournment

Motion to adjourn was made by Craig Nakanishi and seconded by Chung Chang. None opposed. Unanimously passed (8-0). The meeting adjourned at 4:56 pm.

**An executive session may be called to consider the hire, evaluation, dismissal, or discipline of an officer or employee, where consideration of matters affecting privacy will be involved; provided that if the individual concerned requests an open meeting, an open meeting shall be held pursuant to Section 92-5(a) (2), HRS.

**An executive session may be called to deliberate concerning the authority of persons designated by the board to conduct labor negotiations or to negotiate the acquisition of public property, or during the conduct of such negotiations pursuant to Section 92-5(a) (3), HRS.

*The public may attend the meeting at any of the locations specific above.

The public meeting is accessible for individuals with disabilities. Auxiliary aids and services are available upon request by calling the Hawaii Technology Development Corporation offices at: (808) 539-3615. A request for an auxiliary aid or service should be made no later than FIVE working days prior to the public meeting.



DRAFT

**NOTICE OF MEETING
HAWAII TECHNOLOGY DEVELOPMENT CORPORATION (HTDC)
BOARD OF DIRECTORS**

Date: Monday, March 16, 2020
Time: 3:30 p.m. – 4:00 p.m.
*Location: Foreign Trade Zone No. 9
521 Ala Moana Blvd, Ste 258
Honolulu, HI 96813

Call-in Number: (712) 775-7031
Access Code: 545753

*Calling from: 61 Naniuka Pl.
Makawao, HI 96768
250 S. Hotel St. 3rd Floor
Honolulu, HI 96813
2425 Campus Road, Sinclair 10
Honolulu, HI 96822
1003 Bishop St., Ste 2700
Honolulu, HI 96813
1088 Bishop St., Ste 1010
Honolulu, HI 96813
250 S. Hotel St. 5rd Floor
Honolulu, HI 96813

PRESENT

Martin Zorn, Chair
Elijah Yip, 1st Vice Chair
Craig Nakanishi
Mark Anderson
Linda Rosehill
Chung Chang

ABSENT

Creighton Arita
Bella Hughes
Vassilis Syrmos

STAFF PRESENT

Len Higashi, HTDC Acting Director
Ray Gomez, HTDC
Sophia Lam, INNOVATE

COUNSEL

Jodi Yi, Deputy Attorney General

GUEST

Ann Chung



1. Call to Order

The meeting was called to order by Chair Martin Zorn at 3:44 pm

2. Legislative update from Chung Associates

Ann Chung commented that she has been working closely with HTDC. The legislature has called for a recess as of today and will last until deemed appropriate. Ann Chung will keep communication with the legislature and HTDC during the closure.

3. Action with respect to USDA grant application resolution

Len Higashi commented that HTDC is applying for the USDA grant in support of rural business development and NI3 program. The grant requires a board resolution allowing HTDC to apply for the grant.

Motion made by Linda Rosehill move forward with USDA grant and seconded by Elijah Yip. None opposed. Unanimously passed (6-0)

4. Action with respect to HSDC offer**

Motion to enter Executive Session was made by Linda Rosehill and seconded by Elijah Yip. None opposed. Unanimously passed (6-0) at 3:53 pm

Craig Nakanishi left Executive Session at 4:11 pm. Quorum was lost.

**An executive session may be called to deliberate or make a decision upon a matter that requires the consideration of information that must be kept confidential pursuant to a state or federal law, or a court order pursuant to Section 92-5(a) (8), HRS.

**An executive session may be called to have any discussion or consideration of trade secrets or commercial or financial pursuant to Section 206M-21(b), HRS.

*The public may attend the meeting at any of the locations specific above.

The public portion of the meeting is accessible for individuals with disabilities. Auxiliary aids and services are available upon request by calling the Hawaii Technology Development Corporation offices at: (808) 539-3615. A request for an auxiliary aid or service should be made no later than FIVE working days prior to the public meeting.



DRAFT

**NOTICE OF MEETING
HAWAII TECHNOLOGY DEVELOPMENT CORPORATION (HTDC)
BOARD OF DIRECTORS**

Date: **Thursday, March 5, 2020**
Time: 3:00 p.m. – 5:00p.m.
*Location: DBEDT
250 S. Hotel Street Room 436
Honolulu, HI 96813

PRESENT

Martin Zorn, Chair
Elijah Yip, 1st Vice Chair
Creighton Arita
Mark Anderson
Linda Rosehill
Vassilis Syrmos
Chung Chang

STAFF PRESENT

Len Higashi, HTDC Acting Director
Ray Gomez, HTDC
Sophia Lam, INNOVATE

COUNSEL

Jodi Yi, Deputy Attorney General

ABSENT

Craig Nakanishi
Bella Hughes

AGENDA

1. Call to Order

The meeting was called to order by Chair Martin Zorn at 3:04 pm

2. Approval of Minutes – January 23, 2020, February 6, 2020
Approval of Executive Session Minutes – January 23, 2020, February 6, 2020**

Motion made by Linda Rosehill to approve the minutes of January 23, 2020 and February 6, 2020 and seconded by Chung Chang. None opposed. Unanimously passed (6-0)

Elijah Yip requested to amend the minutes of January 23, 2020 to update that he was not a part of the PIG initially but joined when they were in the process of reviewing candidates.

Creighton Arita joined the board meeting at 3:08 pm



Motion made by Linda Rosehill to approve the Executive Session minutes of January 23, 2020 and February 6, 2020 and seconded by Elijah Yip. None opposed. Unanimously passed (7-0)

3. Hiring of Consultant Update

Len Higashi commented that HTDC hired Chung Associates to assist with legislative strategy. Len Higashi and Chung Associates are meeting on a regular basis to discuss funding priorities.

4. Legislative Update

Len Higashi commented that the legislature is currently at their 1/3 way point where bills have crossed over. HTDC's priority bills have crossed over. The bill on the Senate side that includes funding for our grant programs added a clause that requires HTDC to encumber all funds for the FRTC project before any of the grant funds are used.

Mark Anderson explained the standard process for releasing funds. There was a discussion about what actions HTDC should be taking. Len Higashi indicated that he is coordinating with DBEDT as well as working directly with the Legislature. Discussion continued about proposals that are making their way through the process. A question was asked about lapse dates for funding as this will need to be managed.

Specific questions were raised about the details regarding Coconut Island.

Len Higashi commented that it is a strategic plan/working group for the Innovation Tech Park on Coconut Island by Senator Keohokalole. There are a number of groups with common interests, some which HTDC is working with, such as Purple Maia, and SB2500 forms a working group to bring them together. The bill is asking for these groups to collaborate on a plan around climate innovation.

Linda Rosehill commented that the Senator is looking for industries which are suitable for Hawaii. She also commented that she had hoped Chung Associates would be present in this meeting and that for future meetings, she requests written reports from the consultant.

Discussion continued regarding funding and Len Higashi commented that the budget bill which includes funding for HTDC has funds for the rent, but the Executive Secretary position was removed. The House notified us they are cutting positions that are vacant for over a year. Len Higashi also commented that he sent justification that the position was held vacant awaiting the executive director search.

Mark Anderson asked Len Higashi if the position can be filled by the end of the year?

Len Higashi commented that HTDC has interviewed candidates and can fill the position.



Len Higashi also commented that there are other bills, such as the expansion of the R&D tax credit which impacts the tech sector, revenue bonds tied to hydrogen fuel, matching grants for STEM related projects, and guidelines that prohibit MAP grant awardees from winning in consecutive years which the program is already doing.

5. Federal Projects Committee Report

A. Review of SBIR Budget Phase 2 & 3

B. Summary of SBIR applications and awards. Board vote to approve funding and recommendations.

Elijah Yip commented that the Federal Projects Committee met over two days and reviewed 16 applications. The program was only allotted \$900k in funds with an ask of over \$6 mil. The committee allocated the funds the best they could. As for the method of funds allotted, Phase 3 applications were allotted 20% of the funds because the committee agreed that they are heading towards commercialization and their applications were strong. As for the remaining funds for Phase 2 applications, those who scored above the median received 70% of the remaining and those who scored below the median received the remaining 30%. Companies who had multiple applications only received one award.

<i>Applications for Ph 2/3 FY 20 First Round</i>	<i>Recommended by Committee</i>
Navatek-PH3	\$ 159,428.57
Referentia	\$ 159,428.57
Premier Solutions	\$ 69,428.59
Adnoviv	\$ 69,428.57
Akabotics	\$ 69,428.57
Makai Ocean Engineering	\$ 69,428.57
Tridentis-BF	\$ 69,428.57
Hawaii Biotech	\$ 33,428.57
Hnu Photonics	\$ 33,428.57
Nalu Scientific	\$ 33,428.57
Oceanit	\$ 33,428.57
Praxis Bioresearch	\$ 33,428.57
RevaComm	\$ 33,428.57
Spectrum Photonics	\$ 33,428.57
Navatek-PH2	\$ -0-
Tridentis-ACM	\$ -0-

TOTAL	\$ 900,000.00

Motion made by Federal Projects Committee to approve the SBIR Phase 2 & 3 awards and seconded by Vassilis Syrmos. None opposed. Unanimously passed (7-0)





Len Higashi commented that 16 applications is a record and the program has been doing very well. The quality and quantity of the applications are increasing. SBIR companies are doing the state a great service by bringing federal dollars in.

6. Innovation Centers update
A. Sandbox

Len Higashi thanked Elijah Yip for attending the True Initiative launch. HTDC is a co-founder of the TRUE initiative which is led by the private sector and embraced by HTDC. TRUE is centered on a shared belief that technology needs to be a priority to be competitive. Technology enabled workforce is the future of Hawaii. Internships and workforce are big parts of the initiative as they are providing university students real life mentorship and setting them up to work with them after.

Elijah Yip commented that it was a great event and was happy that HTDC had a role in it. This initiative is leveraging technology to develop opportunities for existing companies which was something that came up when interviewing candidates for the ED position.

Len Higashi commented that there are many people putting in their own time and money into this project. He also wanted to give Sandbox credit for being the rally point for all of this.

7. Tech Parks Update
A. Hilo Innovation and Manufacturing Center

Len Higashi commented that there hasn't been a lot of progress as IMC has the same issues as FRTC. There is a process and the funds are scheduled to lapse. B&F is sorting it out with the Governor.

8. HTDC Program Updates
A. INNOVATE Hawaii

Len Higashi commented that Wayne Inouye and Wayne Layugan are currently in Washington, D.C. for Hill Day as Innovate Hawaii is a federally funded program. The program has been doing well on their scorecards so they are rewarding us by increasing the funds for the MEP program. He also commented that the program applied for a Hawaii County grant to help with our NI3 program. He is also applying for a USDA grant to service rural districts and it requires a resolution from the board.

B. HCATT

Len Higashi commented that there is no update for HCATT as Dave Molinaro is out sick.

Creighton Arita left the board meeting at 3:56 pm



9. HTDC Reports

A. Chair's Report

Martin Zorn commented that the agency needs to include outreach marketing into the budget so that more people are aware of the contributions HTDC is making. He also commented that it has been difficult to obtain quorum, so the board members need to do their part in being flexible and possibly having limited agendas that are brief and via conference call, if needed.

B. Executive Director's Report

Len Higashi commented that there was a HSDC investment offer that couldn't make the agenda for today's discussion.

Len Higashi thanked Martin Zorn for joining him at the HVCA awards to celebrate entrepreneurship. One of the awardees was Vassilis Syrmos for Investor of the Year. Senator Dela Cruz was awarded for Start-up Paradise Champion.

Len Higashi commented that there is continued discussion with the Venture Accelerator program and how it ties with our SBIR program. Len Higashi thanked Vassilis Syrmos for the connection.

Len Higashi commented that HTDC recently launched the digital currency innovation lab but due to the coronavirus the speakers cancelled their flight, so the launch event has been cancelled. HTDC will work on outreach and marketing.

C. Department of Business, Economic Development & Tourism (DBEDT) Report

Chung Chang commented that DBEDT has started an outreach plan in relation to developing a business continuity plan in case there will be a recession which could go for months and limit cash flow. There will be additional information coming out of DBEDT soon for the business community.

D. Natural Energy Laboratory of Hawaii Authority (NELHA) Report

Linda Rosehill commented that NELHA is doing well as they just recently has their National Congress of Aquaculture at the Convention Center where there were presentations done by their tenants. The Hatch program has been moving along and they just completed their initial lease on one of the businesses in Hatch on the Hawaii Island.

E. University of Hawaii (UH) Report

Vassilis Syrmos commented that UH is doing okay as they are preparing contingency plans for the coronavirus and how it may affect classes, lectures, and conferences. The conference that



Posted online on 04/14/20 at 04:28 pm

Hawaii Technology Development Corporation
521 Ala Moana Blvd, Ste 255 | 808-539-3806
Honolulu, Hawaii 96813 | www.htdc.org

was going to bring all the universities together was just recently cancelled. Vassilis Syrmos commented that he is concerned about the economic downturn and the restrictions in budgets.

Mark Anderson commented that they're planning for possible impact but judging the scale of the impact is very difficult. There are a number of tools that are put in place to preserve cash for the state.

Len Higashi commented that each department is creating plans in assumption that people aren't going to be able to get to work and budget restrictions if revenue isn't coming in.

Martin Zorn requested Len to schedule a special board meeting regarding the HSDC offer, grant delegation, and a report from Chung Associates.

10. Next HTDC Board Meeting: May 7, 2020

11. Adjournment

Motion to adjourn was made by Linda Rosehill and seconded by Vassilis Syrmos. None opposed. Unanimously passed (6-0). The meeting adjourned at 4:04 pm.





DRAFT

**NOTICE OF MEETING
HAWAII TECHNOLOGY DEVELOPMENT CORPORATION (HTDC)
BOARD OF DIRECTORS**

Date: Tuesday, March 31, 2020
Time: 2:00 p.m. – 2:30 p.m.
Call-in Number: (712) 775-7031
Access Code: 545753

The meeting will be closed to the public as authorized under the Governor's March 16, 2020 Supplementary Proclamation. The public may further participate via teleconference.

PRESENT

Martin Zorn, Chair
Elijah Yip, 1st Vice Chair
Craig Nakanishi
Mark Anderson
Vassilis Syrmos
Bella Hughes

STAFF PRESENT

Len Higashi, HTDC Acting Director
Ray Gomez, HTDC
Sophia Lam, INNOVATE

COUNSEL

Jodi Yi, Deputy Attorney General

ABSENT

Creighton Arita
Linda Rosehill
Mike McCartney

1. Call to Order

The meeting was called to order by Chair Martin Zorn at 2:27 pm

2. Action with respect to offer for HSDC portfolio company**

Motion to enter Executive Session was made by Elijah Yip and seconded by Bella Hughes. None opposed. Unanimously passed (6-0) at 2:27 pm

Motion to exit Executive Session was made by Craig Nakanishi and seconded by Elijah Yip. None opposed. Unanimously passed (6-0) at 2:29 pm



Posted online on 04/21/20 at 09:37 am

Hawaii Technology Development Corporation
521 Ala Moana Blvd, Ste 255 | 808-539-3806
Honolulu, Hawaii 96813 | www.htdc.org

Motion to affirm the motion recommended by the Executive Director to sell all the shares of Kuehnle Agrosystems to HATCH was made by Martin Zorn and seconded by Bella Hughes. None opposed. Unanimously passed (6-0) at 2:30 pm

3. Next HTDC Board Meeting: May 7, 2020

4. Adjournment

Motion to adjourn was made by Elijah Yip and seconded by Vassilis Syrmos. None opposed. Unanimously passed (6-0). The meeting adjourned at 2:30 pm

**An executive session may be called to deliberate or make a decision upon a matter that requires the consideration of information that must be kept confidential pursuant to a state or federal law, or a court order pursuant to Section 92-5(a) (8), HRS.

**An executive session may be called to have a discussion or consideration of trade secrets or commercial or financial matters pursuant to Section 206M-21(b), HRS.



**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION**

At a duly constituted meeting of the Board of Directors of the Hawaii Technology Development Corporation (“Corporation”) held on the 7th day of May, 2020, the following resolutions were duly approved and adopted:

BE IT RESOLVED, the person holding the position of Executive Director or Acting Executive Director of HTDC is hereby authorized to sign any contract or other instrument in the name of and on behalf of HTDC, subject to the availability of funds for that purpose, and except where the signing of the instrument is expressly delegated by the Board of Directors or by law to another person or entity.

RESOLVED, that the person holding the position of Executive Director or Acting Executive Director of HTDC is hereby authorized to sign on behalf of the HTDC Board, any document required to apply for any federal grant, fund, or other request for federal monies.

FURTHER RESOLVED, that the above resolutions shall remain in full force and effect from May 8, 2020 until revoked by an action of the Corporation.

I hereby certify that the foregoing is a full, true, and correct copy of the Resolutions duly adopted by the Board of Directors of the Hawaii Technology Development Corporation at a meeting duly and regularly called and held on May 7, 2020, that such resolutions are duly recorded and appear in the minute book of the Corporation and have not been altered, amended, or revoked.

In witness whereof, I have hereunto set my hand this _____ day of _____, 2020.

Martin Zorn, Chairperson, Board of the
Hawaii Technology Development Corporation

HTDC procedures until a Board quorum is established.

Topic	Current	Proposed
Board Meetings	Quorum required. Agendas and Minutes are posted.	There will be no quorum until the board has 5 members. In lieu of meetings, board matters will be scheduled and discussed with the DBEDT Director who serves as the Board chair until a new board is established. A summary report will be generated and posted on our website.
SBIR approval	FPC reviews SBIR applications and makes recommendations to board on awardees and \$ amount.	Advisory committee makes recommendations to ED. Follow the procedure defined above for Board meetings.
Federal Grant Applications	Typically, board approval is not required to apply for grants but recent USDA application did.	Blanket resolution signed by the Chairman delegating authority to ED to pursue federal grant opportunities.
Budget Approval	Board approves budget	Approve budget based on last year's appropriation.
Other		

HTDC Budget Status Report

As of April 30, 2020

Receipts	FY20 Budget	YTD Actual	Budget Remaining	Notes
General Appropriation	1,337,222.00	1,337,222.00	-	
Restrictions	(303,124.00)	(365,953.00)	(62,829.00)	Additional 2% restriction
<i>Subtotal</i>	<i>1,034,098.00</i>	<i>971,269.00</i>	<i>(62,829.00)</i>	
Special Programs/Projects				
HSBIR Phase II Grant	1,000,000.00	1,000,000.00	-	
MAP Grant	500,000.00	500,000.00	-	
Excelsator Grant	300,000.00	300,000.00	-	
First Responders Tech Campus	720,000.00	720,000.00	-	
<i>Subtotal</i>	<i>2,520,000.00</i>	<i>2,520,000.00</i>	<i>-</i>	
<i>Total General Fund Receipts</i>	<i>3,554,098.00</i>	<i>3,491,269.00</i>	<i>(62,829.00)</i>	
Special Fund Revenue				
Incubation Fees		15,000.00	15,000.00	
Workshops/Conferences	5,000.00	8,861.87	3,861.87	
Land Lease/Rental	32,864.00	19,142.00	(13,722.00)	KEDB to be received in May
Other State Agencies		2,500.00	2,500.00	CID for Sandbox
Interest		2,308.05	2,308.05	
FAST Grant Reimbursement	33,275.65		(33,275.65)	Credited to expenses
MEP Professional Services	150,000.00	74,445.55	(75,554.45)	
<i>Subtotal</i>	<i>221,139.65</i>	<i>122,257.47</i>	<i>(98,882.18)</i>	
<i>Total Special Fund Receipts</i>	<i>221,139.65</i>	<i>122,257.47</i>	<i>(98,882.18)</i>	
Total Receipts	3,775,237.65	3,613,526.47	(161,711.18)	

Disbursements				
Payroll - General Funds	725,820.00	356,343.73	369,476.27	
Vacant Position Savings less reversions	(100,000.00)	-	(100,000.00)	Not expected to be allowed to reclassify payroll this year
<i>Subtotal</i>	<i>625,820.00</i>	<i>356,343.73</i>	<i>269,476.27</i>	
Special Programs/Projects				
HSBIR Phase II Grant	900,000.00	478,285.72	421,714.28	Will be paid/encumbered
MAP Grant	500,000.00	434,594.25	65,405.75	Will be paid/encumbered
Excelsator Grant	300,000.00	138,000.00	162,000.00	Will be paid/encumbered
HONR Grant			-	
R&D Tax Grant			-	
FRTC Proof of Concept	500,000.00		500,000.00	SSFM will be encumbered 4Q
FAST Grant (to be reimbursed)		46,002.13	(46,002.13)	Will be credited May/June
<i>Subtotal</i>	<i>2,200,000.00</i>	<i>1,096,882.10</i>	<i>1,103,117.90</i>	
Operations				
Rent	24,000.00	27,543.37	(3,543.37)	
Property Management	45,000.00	20,733.00	24,267.00	Remaining encumbrance \$20,732.95
Insurance/Assessment	25,000.00	18,852.00	6,148.00	
Telephone/Internet	18,000.00	9,637.87	8,362.13	
Copy Machine	5,500.00	3,910.72	1,589.28	
Supplies/Software/Subscriptions/Dues	15,000.00	3,143.11	11,856.89	Service renewals coming up
Freight/Postage	7,000.00	2,923.79	4,076.21	
Printing/Advertising	6,000.00	124.36	5,875.64	
Training/Registration		49.37	(49.37)	
Moving/Disposal	10,000.00	4,806.64	5,193.36	
Misc	1,917.65	1,961.68	(44.03)	
<i>Subtotal</i>	<i>157,417.65</i>	<i>93,685.91</i>	<i>63,731.74</i>	
Programs				
HSBIR Phase I	520,000.00	519,999.70	0.30	
MEP Cash Match Commitment	90,000.00	72,423.20	17,576.80	
MEP Program Additional Expenses	100,000.00		100,000.00	
Website Updates			-	
Sponsorship	15,000.00	3,000.00	12,000.00	
Events/Conference	12,000.00	11,763.66	236.34	
HTDC Contractors	15,000.00	27,405.09	(12,405.09)	Encumbrances \$36,138.75
Marketing/PR			-	
Equipment	4,000.00	3,239.95	760.05	
Travel	15,000.00	2,291.27	12,708.73	Less travel than anticipated
<i>Subtotal</i>	<i>771,000.00</i>	<i>640,122.87</i>	<i>130,877.13</i>	
Total Disbursements	3,754,237.65	2,187,034.61	1,567,203.04	

Funds Remaining (Total receipts less total disbursements)	1,426,491.86	1,103,117.90	Balance of Special programs/projects
		269,476.27	Balance of payroll/excess
		20,732.95	Property Management
		13,255.00	NI3
		15,000.00	Other monthly operating expenses

HTDC Current YTD Actual vs FY21 Budget

As of April 30, 2020

Receipts	YTD Actual	FY21 Budget	Notes
General Appropriation	1,337,222.00	1,337,222.00	
Additional Request		150,000.00	
Restrictions	(365,953.00)		
<i>Subtotal</i>	<i>971,269.00</i>	<i>1,487,222.00</i>	
Special Programs/Projects			
HSBIR Phase II Grant	1,000,000.00		
MAP Grant	500,000.00		
Excelerator Grant	300,000.00		
First Responders Tech Campus	720,000.00		
<i>Subtotal</i>	<i>2,520,000.00</i>	<i>-</i>	
<i>Total General Fund Receipts</i>	<i>3,491,269.00</i>	<i>1,487,222.00</i>	
Special Fund Revenue			
Incubation Fees	15,000.00		
Workshops/Conferences	8,861.87	10,000.00	
Land Lease/Rental	19,142.00	16,432.00	
Other State Agencies	2,500.00		
Interest	2,308.05		
FAST Grant Reimbursement			
MEP Professional Services	74,445.55	150,000.00	
<i>Subtotal</i>	<i>122,257.47</i>	<i>176,432.00</i>	
<i>Total Special Fund Receipts</i>	<i>122,257.47</i>	<i>176,432.00</i>	
Total Receipts	3,613,526.47	1,663,654.00	

Disbursements	YTD Actual	FY21 Budget	Notes
Payroll - General Funds	356,343.73	725,820.00	
Vacant Position Savings less reversions			
<i>Subtotal</i>	<i>356,343.73</i>	<i>725,820.00</i>	
Special Programs/Projects			
HSBIR Phase II Grant	478,285.72		
MAP Grant	434,594.25		
Excelerator Grant	138,000.00		
HONR Grant			
R&D Tax Grant			
FRTC Proof of Concept			
FAST Grant (to be reimbursed)	46,002.13		
<i>Subtotal</i>	<i>1,096,882.10</i>	<i>-</i>	
Operations			
Rent	27,543.37	36,000.00	
Property Management	20,733.00	45,000.00	
Insurance/Assessment	18,852.00	25,000.00	
Telephone/Internet	9,637.87	18,000.00	
Copy Machine	3,910.72	5,500.00	
Supplies/Software/Subscriptions/Dues	3,143.11	15,000.00	
Freight/Postage	2,923.79	7,000.00	
Printing/Advertising	124.36	6,000.00	
Training/Registration	49.37		
Moving/Disposal	4,806.64		
Misc	1,961.68	1,917.65	
<i>Subtotal</i>	<i>93,685.91</i>	<i>159,417.65</i>	
Programs			
HSBIR Phase I	519,999.70	520,000.00	
MEP Cash Match Commitment	72,423.20	90,000.00	
MEP Program Additional Expenses		100,000.00	
Website Updates			
Sponsorship	3,000.00	15,000.00	
Events/Conference	11,763.66	12,000.00	
HTDC Contractors	27,405.09	15,000.00	
Marketing/PR		-	
Equipment	3,239.95	4,000.00	
Travel	2,291.27	15,000.00	
<i>Subtotal</i>	<i>640,122.87</i>	<i>771,000.00</i>	
Total Disbursements	2,187,034.61	1,656,237.65	